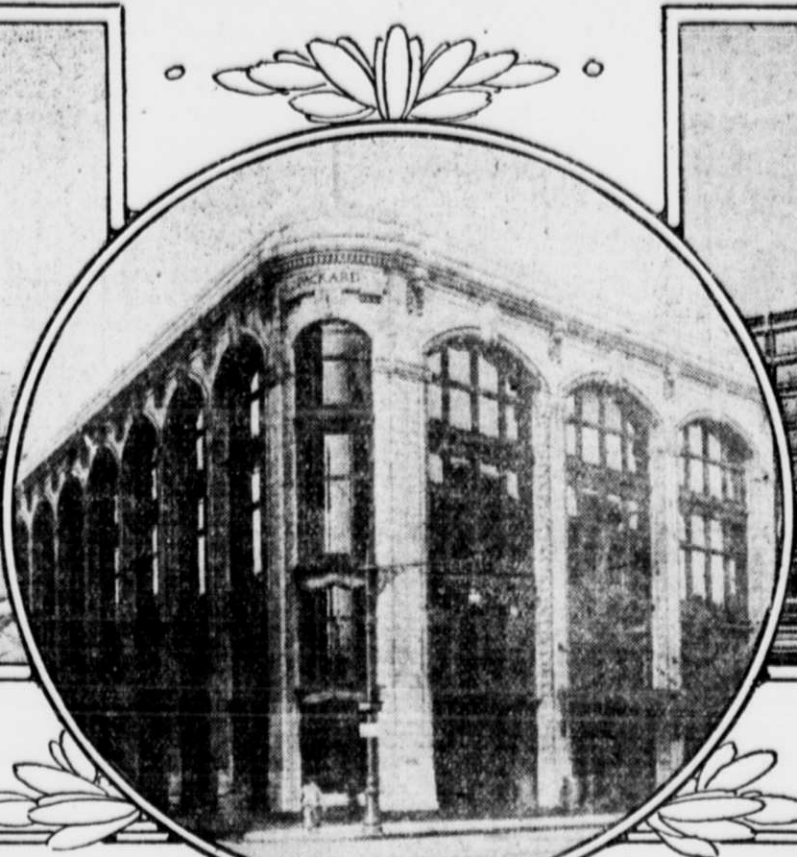


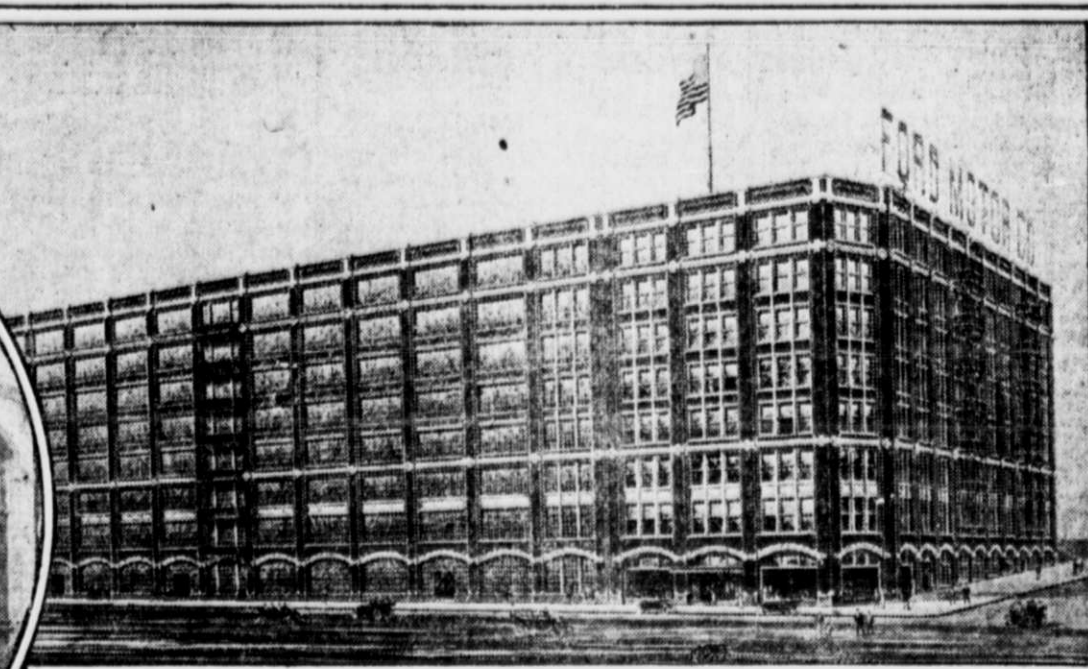
MILLIONS ADDED TO LOCAL REAL ESTATE VALUES THROUGH DEVELOPMENT AND USE OF AUTOMOBILES



PIERCE ARROW PLANT, LONG ISLAND CITY



FORD SERVICE BUILDING, LONG ISLAND CITY



Section of Broadway Formerly of Little Use Now Teems With Activity—Long Island City Swamps Reclaimed for Big Motor Factories

The automobile, one of the great inventions of the century, promoter of health and revolutionizer of transportation and pleasure, has also been a real estate revolutionizer. Sections urban and suburban, some close to the heart of the big bustling city of the West and others miles and miles away, have been developed through the automobile into valuable neighborhoods. To estimate even remotely the benefits derived by real estate in the metropolitan zone in the last decade from the motor car, both business and pleasure, is a stupendous task. The more the subject is studied the greater it becomes. Well known realty men such as George B. Huron and Albert E. Coote of the Cross & Brown Company and Stanley K. Green of Nelson, Lee & Green, men familiar with every phase of the development of the automobile industry in this town, would not even attempt a guess at the gain in land values due to the automobile. These men are close to the automobile trade and naturally have given more serious study to the subject than those not so closely connected.

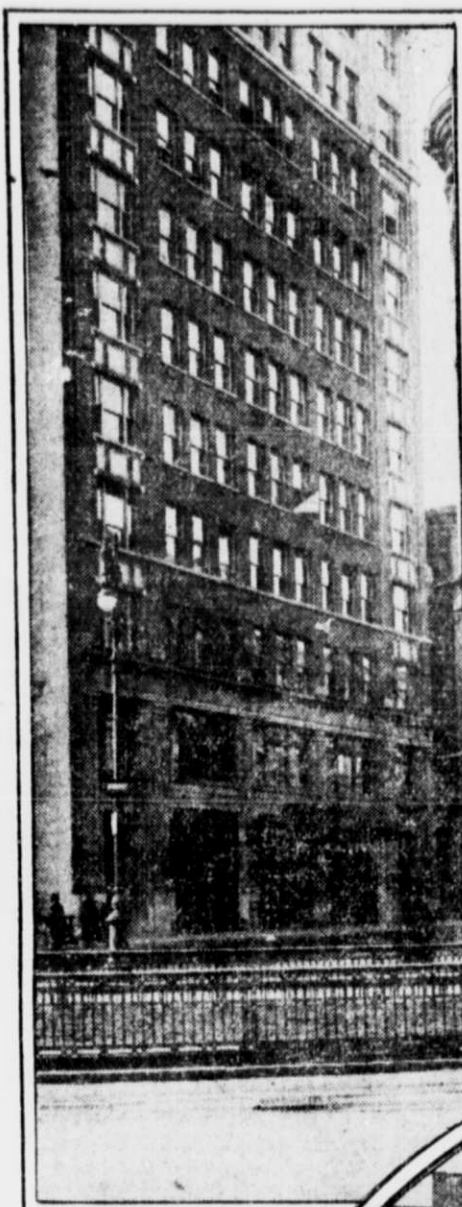
"Millions and millions and millions," is the way one broker put it when asked what was the gain in the greater city from the automobile. "I tried to figure that once out of curiosity. When I started I thought it would be a simple matter. Just compute the difference between what rents are being paid by automobile concerns and what was the income from sections before the automobile came there. I did not carry my curiosity far before I realized the greatness of what I was doing. Though I did not go far it is surprising the figure I got. At that I was only scratching on the surface, for the automobile has brought value to nearly every nook and corner in this town. In some sections, however, depreciation has resulted through the building of garages in residential streets. Otherwise the motor car has been a universal land and rent boomer."

Broadway between Long Acre Square and Lincoln Square was ten years ago the most deserted section of Broadway, even though close to the heart of the theatrical district. Stores and buildings could be had for comparatively little money. In fact there was no demand for space there. It had once been primed for apartment houses and several were erected, but the development was not continued and there the section stood for many years. Its position was against it.

On the west were Hell's Kitchen and San Juan Hill, two of the toughest colonies to be found anywhere. On the east, was the very fine residential section of Fifth Avenue. In other words the part of Broadway laid between the west and east in the city, forty and fifty years ago, was a dead end. Broadway dealers and negroes will not pay even the cheapest Broadway prices. So the dozen blocks between Long Acre Square and Lincoln Square were left deserted and alone. Few merchants could be induced to locate there, even though the streets between Fifty-fifth and Fifty-eighth streets could be had for \$50 a month. Stores in the Albany, opposite the Winter Garden, brought about \$60 a month ten years ago.

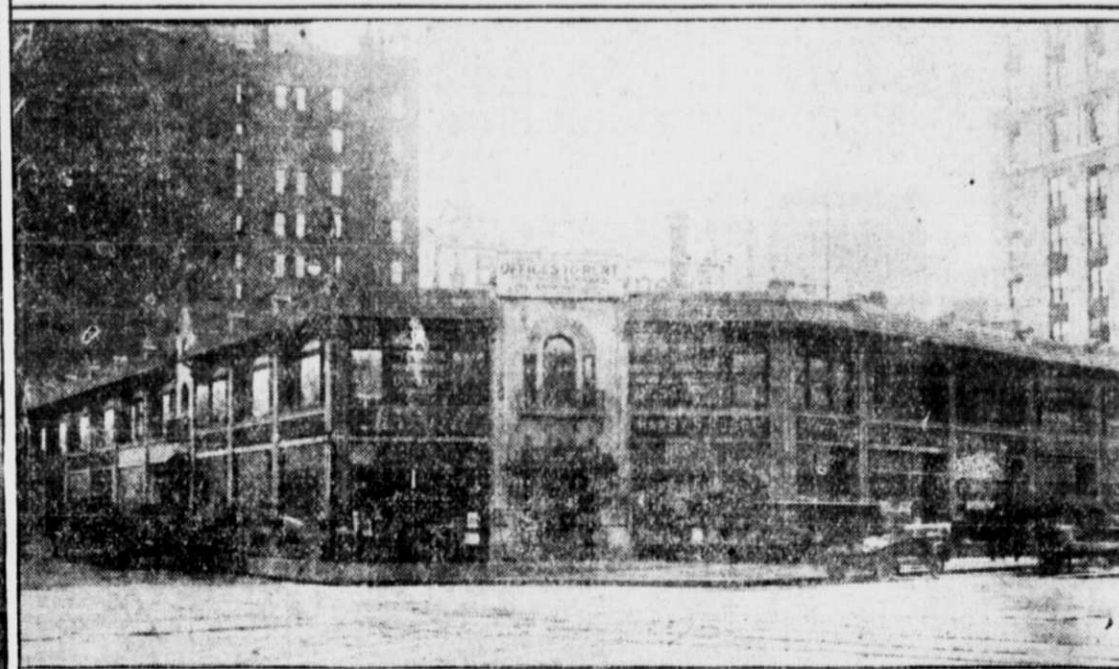
At that time the automobile business was centered in Thirty-seventh, Thirty-eighth and Thirty-ninth streets, between Broadway and Seventh Avenue. There might have been twenty concerns in the three streets. There were no great display windows such as are to be found along Broadway to-day. The automobile business, it might be said, was then in its infancy. The companies were not rich enough or rather did not feel inclined to pay Broadway rents. They had gone into Thirty-eighth and Thirty-ninth streets for the reason that a number of buildings suitable to their needs were found there. One followed the other until it was the center of the automobile business in Manhattan. Most of these buildings were stables or lofts. John G. Wendel put up a garage for the trade at the corner of Seventh Avenue and Thirty-eighth street, which was the finest in the centre.

The automobile business was considered so unstable at the time that a friend told Wendel he was foolish in putting so much money into a building for the sale of automobiles. "That may be so," replied Wendel, "I don't think much myself of those horse-drawn machines and I had that building built when the automobile goes out." Store in the old zone ranged from \$1,000 to \$2,500 a year. About 1904 the automobile began to be a certainty. It had been developed to a state which assured its success. Furthermore modern inventions and inventive brains had brought the automobile within reach of

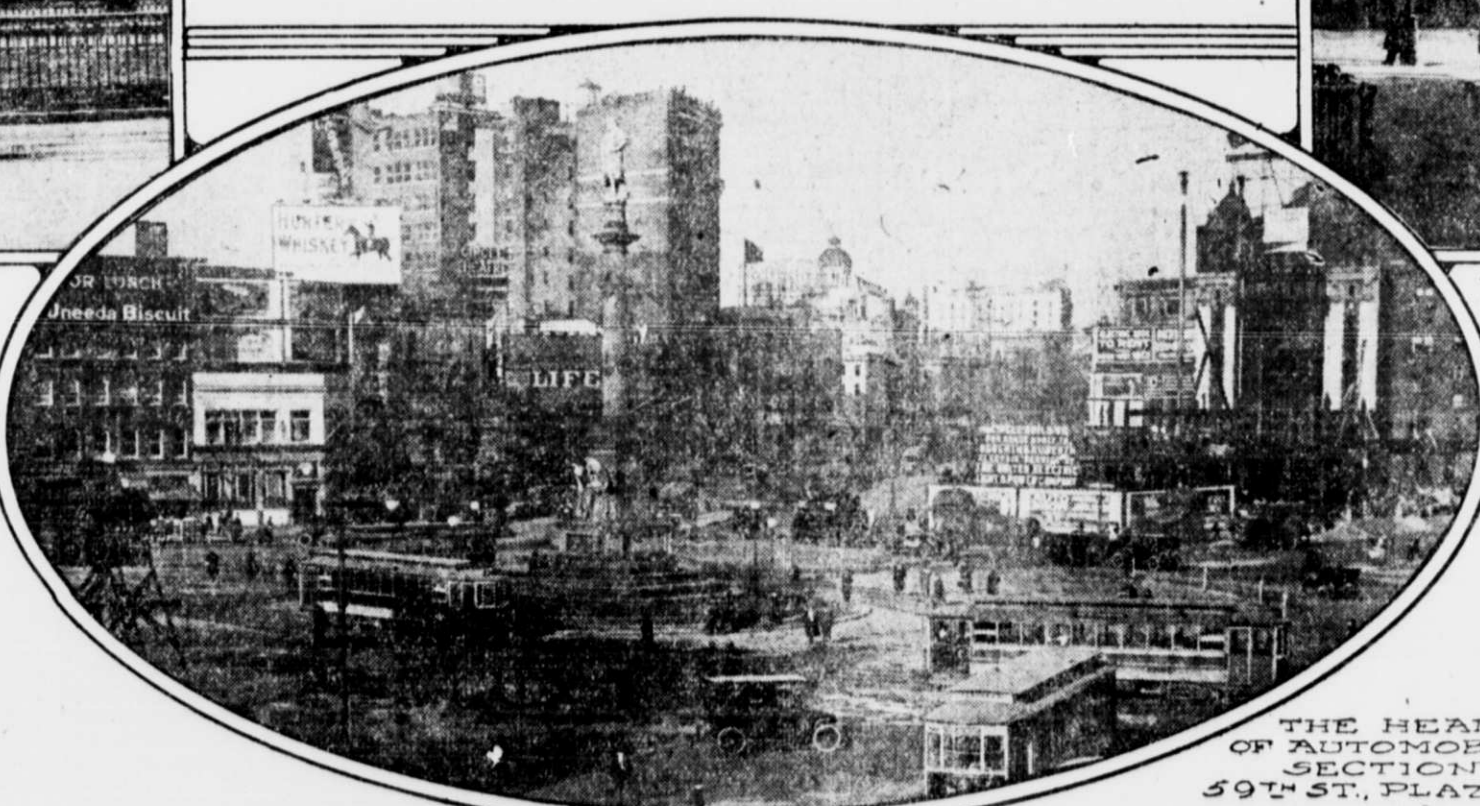


NEW LOCOMOBILE BUILDING, 61ST STREET NEAR BROADWAY

ONE OF THE FINEST MOTOR BUILDINGS, PACKARD BUILDING, BWAY, AND 61ST ST



NOTHING BUT AUTOMOBILES AND FITTINGS, GEORGE EHRET'S TAXPAYER, BWAY, AND 59TH ST.



THE HEART OF AUTOMOBILE SECTION, 59TH ST. PLAZA



U.S. RUBBER CO. BUILDING, BROADWAY AND 58TH ST. FINEST BUILDING IN AUTOMOBILE ROW.

Brooklyn, Too, Has Automobile Centre—Suburban Area Extended Many Miles—Thousands of Men Employed Make Home Demand

ago a store 25 by 96 in this building could have been had for \$2,000 a year, which is at the rate of about 80 cents a square foot. At the southeast corner of Broadway and Fifty-eighth street is the home of the United States Rubber Company, a twenty-story building erected a few years ago at a cost of \$250,000. It is the tallest building in automobile row and the tallest commercial building north of Fifty-seventh street.

It was the automobile that brought about the development of the southeast corner of Broadway and Fifty-ninth street. For years and years this property remained vacant. George Ehret bought it many years ago. Near the entrance to the park, he reasoned, it might be a valuable corner for him to have some time. His idea was when the section developed to erect a hotel or cafe. But the automobile came, and when it showed signs of remaining Ehret put up the two-story building on the plot. Here is the home of the Maxwell car, and Harry S. Hout and the Mitchell car are there.

North of the circle are the largest automobile buildings with the exception of the United States Rubber Building in automobile row. Most of them are on Sixty-first street between Central Park West and Columbus Avenue. The former United States Motor Company building is at 3 to 7, at the northwest corner of Broadway and Sixty-first street is the Packard Company building and a little further west on the south side of the street is the Locomobile Building, the tallest commercial building north of Fifty-ninth street. The latter building runs through to Sixty-third street and is twelve stories high. The site was sold last year by the Locomobile Company to Amos R. E. Pinchot, who erected the building, which the company leased for twenty-one years at a rental of \$300,000. The company received about \$200,000 for the property. The Locomobile Company was further up Broadway. In the beginning it was thought that the automobile trade would go beyond Lincoln Square, so the company, not wishing to pay boom prices, got in, as they thought, ahead of the others. But few of the others came up that far and the Locomobile Company came back. The building that has been erected for the company cost \$100,000.

The northeast corner of Broadway and Sixty-first street and for that matter the east side of that block and the one to the north are covered with buildings erected for the automobile trade. The same is true of the west side of these Broadway blocks.

The White Automobile Company at Sixty-second street probably has under lease in this city more space than any other automobile concern. It is estimated that this company pays about \$100,000 a year rent. The Packard company establishment is worth \$650,000, according to one real estate man.

The development of this section was the means of bringing the automobile to Long Island City. Competition was so keen and rentals for Broadway space were climbing so that automobile makers were at their wits end to know what to do. They had to have local factories or service stations, but could not pay Broadway prices and meet the cuts of rivals with less expensive establishments. So Long Island City loomed up. For the price of one foot in Manhattan several could be had in Long Island City. This meant that the price of cars could be cut just a little more.

The development of Long Island is just one of the offshoots of the automobile development. The growth of the factory colony near the Queensboro Bridge is as wonderful as that of Manhattan. In fact it is more so, since it has come all within a few years. The site of the Long Island City colony was swamps and garbage littered stretches a few years ago.

The first two service plants to locate in Long Island City were Brewster & Co. and the Packard Motor Car Company. The Brewster company, which imports both the Delaney-Bellville and the Hols-Royce chassis and manufactures bodies, erected a six-story brick, concrete and steel building 200 feet front and 350 feet deep facing the plaza and employs 500 men. The Packard Motor Car Company, which is on Queens Boulevard, erected an eight-story concrete building 200x100 feet and employs 250 hands.

The Ford Motor Car Company, at Jackson Avenue, about a quarter of a mile from the bridge, erected originally a five-story service plant, which it enlarged by adding four additional stories, and now is building a nine-story addition. The total floor space in the completed building will be over

Continued on Fourth Page.

CITY CAN INCREASE INCOME BY GREAT AMOUNTS THROUGH TAXING ITS MANY NON-RESIDENT WORKERS

Leo M. Klein Also Suggests Taxes on Automobiles, Businesses and Display Signs

If Mayor Mitchell is really desirous of learning how the income of the city may be increased without adding to the burden of real estate owners he can do so by consulting with a few of the well known lawyer real estate operators of the city who have given considerable thought to the matter and have worked out plans which to the lay mind seem quite reasonable. Should some of their ideas be incorporated in the tax laws there is little doubt that the tax rate on real estate at least would not rise. One of the most earnest advocates of new sources of revenue is Leo M. Klein, of the firm of Klein & Jackson, one of the best known realty operating firms in the city. Unlike most advocates of change in the taxing system Mr. Klein does not complain of his tax burden, but advocates more income to the city that additional improvements and re-

forms may be carried out. Discussing the matter of local taxation Mr. Klein said yesterday that he wished to go on record as not being in that class of citizen or taxpayer which is continually complaining about conditions in general and the city government in particular. On the contrary, he said, he is one of the staunchest "boosters," trying to see and point out the thousand and one things in which it excels. He believes we have the best police force and Fire Department in the world; telephone and transportation nowhere equalled; parks and playgrounds in abundance; schools and colleges second to none. "Most of these tremendous advantages we get—or rather the public gets," Mr. Klein said, "at a minimum price, and I believe that the present city government is trying its utmost to give us an honest, economical business administration, of course it is easy to pick flaws. Which of us is perfect?" "I do think, however," he continued, "that strenuous efforts should be made to provide the city with other and new means of income so that real estate will not be called upon to bear the entire burden of this report. I will say that the various real estate organizations in the city are doing their

tumbled down to make way for new ones constructed especially for use of the automobile. The entire section has been remodelled. Store fronts have been torn out and new ones costing thousands of dollars put in. The automobile show window and show room it must be remembered is the finest in the city. Some times as much money is spent in fitting up a show room and window as would build a building of no mean size. The result of this developing is that every car of any reputation has an office in that section of Broadway. Strange to say, few of the companies own the buildings they occupy. The policy has been to lease, for the reason rentals were so attractively low. Builders of cars, that is the big companies, have settled close to Columbus Circle. Below the car builders are the tire and accessory dealers. To illustrate what the automobile has done for Broadway, let us start with the Studebaker Corporation, which leased last October, through the Cross & Brown Company, the five-story build-

ing at the northwest corner of Broadway and Fifty-sixth street for a long term of years for which it will pay \$300,000. The building is practically to be rebuilt. The cost of changing the structure to suit the needs of the Studebaker company will be a third of the rental to be paid for the building during the life of the lease. At the southeast corner is the Times Square Automobile Company. Last year this company leased the corner at \$33,000 a year for a long term of years. In 1905 the corner rented for \$22,500 a year. Ten years

Revenues Thus Derived Would Pay for Many Improvements Without Burdening Realty

the list, the people pay something for what they get. "I suppose I will get the same old answer that the people pay the taxes by paying the rents and the landlords are all getting richer every year. Every thinking person must know that that argument is without foundation. For the fact is that taxes have gone up the past five years rents have steadily gone down. Lots which five years ago rented for \$5,000 now go begging at \$2,500, but the taxes go up just the same, and one is put to tremendous trouble if not expense, to get even the slightest reduction, when, as a matter of fact in some places the taxes should be cut almost in half. "However, as I said at the outset, I am not telling you a 'hard luck' story; I am a 'booster' and think if we had a 'boosting committee' such as other cities have, and advertised our advantages good results would surely follow."

"These are a very few of the many ways which come to my mind at the moment in which the real estate burden could be lightened. We get so much for nothing in this town that we take many things as a matter of course. It costs money in London, Berlin and Paris to sit down in the parks; it costs something to get into the zoological gardens; you don't get free transfers in their buses, and so down